

Exhibit B

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Via Electronic Mail

January 18, 2018

Mr. Charles Salvator
Vice President and Chief Financial Officer
Universal Service Administration Company
USAC.org

Dear Mr. Salvator:

I am writing with reference to the "demand" letter, dated January 16, 2018 that you sent to our client Sandwich Isles Communications, Inc. ("SIC") in which you assert that, pursuant paragraph 149 of FCC Order 16-167, issued December 5, 2016 ("SIC Order"), USAC has determined that SIC received management fees in excess of the cap referenced in the SIC Order totaling \$6,770,938.00 for the period 2002-2012.

Your demand letter recites that this sum is "immediately" due and payable (Demand letter at 2), and sets forth the usual boiler plate language found in USAC Audit Letters about how to make payment and the consequences of failing to pay immediately (including the assessment of interest starting 30 days after the Demand letter.) Nonetheless, the letter does eventually (in the penultimate paragraph) acknowledge that SIC has 60 days to seek review of the demand at the FCC. In fact, the FCC Rule, cited in the letter, makes quite clear that the Demand Letter is not an Order and certainly is not final subject to "appeal". It is, rather, subject to independent review by the FCC in the manner provided in the Commission's rules. See, 47 CFR 54.722. In the circumstances, we submit that the demand for immediate payment is baseless and that there is absolutely no authority for the threatened imposition of interest beginning 30 days after the date of the demand letter, or in other words 30 days before a review of the demand would even begin. Whatever else paragraph 149 of the SIC Order and the applicable FCC Rule may mean, neither the Rule nor the Order require SIC to address the merits of your letter until such time as SIC and its counsel have received full documentation explaining completely and accurately how the demand was calculated and how the cap was computed and applied.

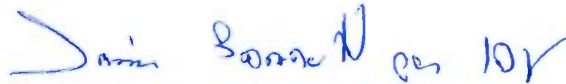
Neither the USAC 2016 Report nor SIC Order explain how the cap was arrived at or how it was decided that the unidentified companies included in the cap computation are comparable to SIC. Nor does the 2016 Report or the SIC Order explain how the management fees for the putative comparable entities were computed and compared with the information provided to USAC by SIC. Your letter of January 16 does not supply any of this information or supporting spread sheets and documentation. Surely, neither USAC nor the FCC really expect SIC to

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meaningfully respond to a demand of the sort set forth in the January 16 without any idea of the specifics of the underlying computations.

In sum, and for the reasons outlined above, this letter is not to be considered a response to the merits of the January 16 demand letter nor a waiver of any claims that SIC may have related to USAC's inexcusable and utter disregard for fundamental Due Process and fairness. We will address the merits of this demand when and not before we receive documentation fully and accurately explaining how the demand was computed and how the Cap was computed. When may we expect to receive those materials?

Very truly yours,



James Arden Barnett, Jr.
Rear Admiral USN (Retired)
Ian D. Volner

cc: Kris A. Monteith, Chief, Wireline Competition Bureau, Federal Communications
Commission (*via electronic mail*)
Thomas M. Johnson Jr., General Counsel, Federal Communications Commission
(*via electronic mail*)
Michele Ellison, Deputy General Counsel, Federal Communications Commission
(*via electronic mail*)
Ernesto Beckford, Acting General Counsel, USAC (*via electronic mail*)
Deb Eltgrath, Associate General Counsel, USAC (*via electronic mail*)